Department of Administrative Services - ISF Budget Overview

INFRASTRUCTURE AND GENERAL GOVERNMENT

APPROPRIATIONS SUBCOMMITTEE
Internal Service Funds (ISF) employ business practices to provide a service or product for other state and governmental agencies. Typical services include motor pools, computer centers, mail processing, facility management, or other large functions that can be centrally coordinated. They are set up to take advantage of economies of scale, to avoid duplication of efforts, and to provide an accounting mechanism to adequately identify costs of certain governmental services.
Dedicated Credits -- Intragovernmental Revenue come from charges to customer agencies. Premiums are collected by Risk Management for its insurance programs. Restricted revenue comes from the Workers Compensation Fund administered by the Division of Risk Management.

### Appropriation History by Line Item

<table>
<thead>
<tr>
<th>Line Items</th>
<th>FY13 Actual</th>
<th>FY13 Actual</th>
<th>FY14 Actual</th>
<th>FY14 Actual</th>
<th>FY14 Approp</th>
<th>FY14 Change</th>
<th>FY15 Revised</th>
<th>FY15 Change</th>
<th>FY15 Approp</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISF - Finance</td>
<td>321,100</td>
<td>1,024,500</td>
<td>1,675,000</td>
<td>1,860,900</td>
<td>(111,500)</td>
<td>1,749,400</td>
<td>42,600</td>
<td>1,792,000</td>
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</tr>
<tr>
<td>ISF - Purchasing and General Services</td>
<td>19,590,600</td>
<td>20,423,100</td>
<td>19,741,200</td>
<td>19,178,900</td>
<td>(1,371,600)</td>
<td>17,807,200</td>
<td>2,049,300</td>
<td>19,847,500</td>
<td></td>
</tr>
<tr>
<td>ISF - Fleet Operations</td>
<td>65,259,900</td>
<td>68,926,200</td>
<td>69,293,400</td>
<td>71,362,500</td>
<td>(1,888,200)</td>
<td>69,474,300</td>
<td>3,748,000</td>
<td>73,222,900</td>
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<tr>
<td>ISF - Risk Management</td>
<td>37,481,600</td>
<td>38,122,800</td>
<td>39,516,000</td>
<td>42,432,800</td>
<td>1,054,200</td>
<td>43,467,600</td>
<td>265,800</td>
<td>43,762,800</td>
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<tr>
<td>ISF - Facilities Management</td>
<td>26,454,900</td>
<td>26,051,500</td>
<td>26,549,300</td>
<td>29,160,200</td>
<td>3,400</td>
<td>29,163,600</td>
<td>477,000</td>
<td>29,631,200</td>
<td></td>
</tr>
</tbody>
</table>

### % of Total
- 44% - Fleet
- 26% - Risk Mgmt
- 18% - Facilities Mgmt
- 12% - Purchasing
FTEs, capital outlay, and vehicles are authorized in the appropriations bill; additionally, HB 193, 2014 GS requires legislative review of full-time equivalent contract employees -- DAS ISFs report zero for FY 2014 actual, FY 2015 authorized, and FY 2016 requested.
Current Expense $131.4 m (80%); Personnel Services $19.6 m (12%)
The following are performance measures tracked within this organization.

- Administrative Costs as a Percentage of Division Costs
- Internal Adjusters Ratings
- Operations and Maintenance Cost Per Square Foot
- Spending Via Purchasing Cards
- Freight and Postage Cost Avoidance
- State Purchasing Cooperative Contracts
- Return on Investment for Motor Pool Vehicles
Clicking the performance measure on the previous slide takes you from the agency level in COBI to the line item level.

Operations and Maintenance Cost Per Square Foot
For more than 25 years DFCM’s actual rate has been lower than market rates according to an annual building association report conducted by BOMA (Building Owners and Managers Association).

Operations & Maintenance Cost Per Square Foot

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2014</th>
<th>FY 2016, projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Private</td>
<td>$8.35</td>
<td>$4.75</td>
</tr>
<tr>
<td>U.S. Government</td>
<td>$9.37</td>
<td>$4.75</td>
</tr>
<tr>
<td>SLC Private Downtown</td>
<td>$6.29</td>
<td>$4.75</td>
</tr>
<tr>
<td>DFCM FY 2014, projected</td>
<td>$4.98</td>
<td>$4.75</td>
</tr>
<tr>
<td>DFCM FY 2016, projected</td>
<td>$4.98</td>
<td>$4.75</td>
</tr>
</tbody>
</table>

Based on BOMA 2014
Central Mailing brought about $2.4 m in cost avoidance for freight and postage.
CONSOLIDATED FEE CHANGES SUMMARY

Purchasing and General Services, Print Services
• Eliminated the “Debt Elimination” fee

Fleet Operations, Fuel Network
• Raised the charge per gallon to .065 (covers administrative costs)

Risk Management Administration
• Although rates did not change, charges to most agencies increased due to DAS obtaining more accurate data about properties
• Automobile standard deductible increased from $500 to $750

Facilities Management
• Charges to several entities increased